

Statement of Intent 2017/18

WHANGANUI & PARTNERS

WDC | 101 Guyton Street, Whanganui

Statement of Intent for Whanganui & Partners

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Whanganui & Partners

Statement of Intent for the year commencing 1 July 2017

1. Purpose of Statement of Intent

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of Whanganui & Partners for the next three years, and the objectives that those activities will contribute to. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability. Information contained in this statement shall comply with the requirements of Schedule 8, LGA 2002.

Through the Whanganui District Council Economic Development Strategy, the Whanganui District Council has articulated an expectation that Whanganui & Partners will use its resources to support, facilitate and deliver improved results in Whanganui's economic growth performance. Whanganui & Partners specific activities towards this aim are articulated through this SOI.

The content of this SOI for 2017 to 2020 reflects the Governance changes of Whanganui & Partners resulting in strategic initiatives focused on:

- Economic Transformation including education sector initiatives
- Physical Transformation (Place) including the river, port revitalisation and town centre revitalisation projects
- Destination Marketing including attracting tourists, investors, students, and entrepreneurs

2. Governance

The Board governs the activities of Whanganui & Partners in accordance with the Whanganui District Council CCO Governance Manual.

3. Definitions/Glossary

SOI – Statement of Intent (the activities of Whanganui & Partners)

ED – Economic Development (generating economic growth)

CCO – Council Controlled Organisation (the legal structure of Whanganui & Partners)

Strategic Rocks – Fundamental areas of focus for economic growth activities

WDC – Whanganui District Council

W&P – Whanganui & Partners

BAU – Business as Usual

Environmental Scanning - a process that systematically surveys and interprets relevant data to identify external opportunities and threats.

4. Whanganui & Partners Long Term Targets

The current Whanganui District Council Economic Development Strategy contains 6 (six) key medium to long term performance measures/targets the activities of Whanganui and Partners are expected to deliver:

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| 1. Linked to the Central Government’s Business Growth Agenda, an average annual increase in the value of real exports of greater than 4% (includes tourism) so that the ratio of exports to GDP is 40% by 2025. |
| 2. An average real GDP increase of greater than 2.5% by the end of 2020 (Treasury forecast for Real GDP growth for New Zealand is 1.6%). |
| 3. A permanent population increase of 4,500 by the end of 2025 (as measured in the next national census after that date). |
| 4. A 5% annual increase in visitor guest nights. |
| 5. Increase in employment in Whanganui by 5% by the end of 2025. |
| 6. Increase in education as a percentage of GDP and an increase in the number of international students studying in Whanganui. |

5. Strategic Approach (Nature and scope of activities)

Whanganui & Partners was established to create a more prosperous Whanganui through the delivery of economic development and tourism promotion services. To achieve this Whanganui & Partners has 5 (five) day to day operational key areas of focus:

1. Business Retention and Growth – supporting existing businesses (including Accelerate 25 and Te Pae Tawhiti action plans)

2. Business and Investment Attraction – obtaining new businesses and investment into Whanganui (including Accelerate 25 and Te Pae Tawhiti action plans)
3. Destination Marketing – promotion of Whanganui to visitors, entrepreneurs, investors, students, and selected demographic groups
4. Education – attracting students, supporting student achievement and pathways to employment
5. Innovation – supporting entrepreneurship and productivity gains through applied technology

Vision: Grow Whanganui: The most improved district for growth and prosperity 2025

Breaking down what the vision means:

Purpose:

Grow Whanganui: explicitly states that we will take a district-wide perspective on growth, and that our focus is to improve or enhance the standard of living within the District

The most improved district: Rather than fastest growing, the view is that to be the “most improved” is a better indicator of economic growth and success. If this aspiration is achieved (against chosen indicators), it will see Whanganui’s economy improve more than any other district in New Zealand

Growth and prosperity: A range of indicators will be used to measure growth and prosperity to ensure that economic growth is also environmentally, socially and culturally sustainable.

Purpose: To maximise economic prosperity and opportunities for the Whanganui district

Breaking down what the purpose means:

To maximise: this is about ensuring that all economic development opportunities have been focused on and followed through so that maximum benefit can be realised. We will leverage others' resources where we can and collaborate across Council boundaries

Economic prosperity: prosperity in this context is more than just financial – it also incorporates social wellbeing, lifestyle benefits, healthy living, and personal freedom.

Opportunities: By maximising economic prosperity, further programmes, projects and ideas will develop to generate economic prosperity (opportunities). Economic prosperity will drive business confidence to explore further economic opportunities.

The Whanganui district: This is the economic catchment of Whanganui and includes those in both the urban and rural areas.

6. Organisational Values

The values and behaviours demonstrate how all W&P employees are expected to behave when interacting with each other, partners, and other stakeholders. They are developed so that, when demonstrated and lived every day, will both help deliver the vision and strategy as well as help others feel valued for the good work they do.

It is expected that W&P employees' performance will be assessed for both delivering results and outcomes against their job description and their own role in the strategy as well as being assessed against each of the three values and their associated behaviours.

7. Key Projects & Programmes – Major Initiatives Strategic rocks and game-changing initiatives

1. **Economic Transformation** (focusing on growing capability, retaining/growing/attracting business, and creating jobs)

- SWOT Team & One More Job Campaign
- Whanganui Special Economic Zone – a package of incentives, services, & support to make Whanganui an easy choice for establishing a business
- Innovation Quarter, Maori Business Hub, & shared work space – delivering business start-up services and support and co-locating with key partners (Te Manu Atatū and Whanganui Chamber of Commerce)
- Te Pae Tawhiti/Accelerate 25 Project Identification & Implementation – Business Capability Building (Retention & Growth) and New Business Start-ups
- Skills for Industry Programme (incorporating 100% Sweet and INTRANZ)

2. **Place** (utilising our physical and infrastructure resources for economic benefit)

- Port Revitalisation
- Rural Enterprise Project

3. **Destination and Reputation** (Continuing to reinforce and improve Whanganui’s reputation as a great place to visit, do business and live)

- Regional Economic Development (RED) Summit
- Mobile Whanganui
- Yellow (Digital) Project
- Brand Management

Key project and initiatives	Description
1. Business Capability SWOT Team & one more job campaign	<p>Program of business support services including a "business health check" assessment tool. Whanganui businesses will have access to a "SWOT" team of expert advisors covering key aspects of operating a business (Governance, Strategy, Leadership, Finance, Sales/Marketing, Operations, HR, IT, R&D). The assessment of each business to identify which members of the SWOT Team are required for one- on-one coaching support for the business owners/senior managers.</p> <p>All participating businesses receive a complimentary business growth opportunity assessment focused on improving customer acquisition and production/service delivery processes. The aim for the project is to generate sufficient growth within each business that they need at least one more full time equivalent position.</p>
2. Whanganui Special Economic Zone	<p>This project is a packaging up of support for business relocation, investment, development/refurbishment of heritage buildings and may include:</p> <ul style="list-style-type: none"> • Single point of contact for all queries • No development contribution • Business Friendly policy • Potential partner identification and introduction • Rent relief • Business Friendly policy/culture • W&P business support services

	<ul style="list-style-type: none"> • Capital raising service • Business mentoring plus NZTE/Callaghan programs
<p>3. Regional Economic Development (RED) Summit</p>	<p>Develop and Host a Regional Economic Development Summit. Focus on activating regional economic studies – taking strategic intent through to implementation.</p> <p>Funding to be sought from MBIE. Gives central government an opportunity to highlight their support for regional New Zealand.</p> <p>Positions Whanganui as a best practice place for economic development, supports the destination marketing of Whanganui as a place to invest and do business.</p> <p>The summit creates the opportunity to learn from other regions throughout New Zealand and adapt to suit Whanganui</p>
<p>4. Innovation Quarter (Te Hoe Ngatahi) incorporating the Maori Business Hub and shared working space</p>	<p>Establish and operate (with founding partners – Te Manu Atatu, and Whanganui Chamber of Commerce) the Innovation Quarter - a public, private, iwi partnership with the mission to support innovative entrepreneurs to scale ventures that create sustainable economic growth and quality employment (more jobs) for the Whanganui/Manawatū Region.</p> <p>It combines the Maori Business Hub, Innovation Quarter, and Business services (incubation, acceleration, capital raising) into one wrap around programme and suite of services.</p> <p>Positions Whanganui as the place to do business, enables Whanganui to leverage former investment in the Smart 21 programme by investing in concrete services that deliver new start-up businesses and creates jobs.</p>

5. Mobile Whanganui	<p>A project to grow existing businesses, attract new business, investment and tourists, build relationships with Whanganui Alumni, promote Whanganui for size and type appropriate conferences and events.</p> <p>Mobile Whanganui is a literal name. The concept is Whanganui & Partners acquires a retro/heritage caravan and/or heritage vehicle and converts it into a promotional hub for Whanganui. The caravan or vehicle is fitted out utilising Whanganui manufactured product (e.g. flooring from Burgess/Cavalier Bremworth, furniture from Ethan and perhaps Tasman Tanning).</p> <p>The caravan or vehicle would contain a BBQ where, when unloaded, food from Whanganui suppliers can be cooked (such as Coastal Spring Lamb). It will include at least one TV screen where businesses, facilities (such as the Museum, Cooks Garden and Sarjeant Gallery) can be profiled and visitor, student, business, and investor promotion videos played.</p> <p>Being a caravan or heritage vehicle Mobile Whanganui is easily transported anywhere around New Zealand – taking Whanganui on tour to provide people the ability to experience a small slice/taste/teaser of Whanganui and buy tickets, book accommodation and place product orders there and then – wherever they encounter us.</p> <p>The caravan or vehicle can be booked into a schedule of annual events as well as arrangements made for short term display at various locations throughout New Zealand.</p>
6. Port Revitalisation	<p>Retention of key industry/businesses</p> <p>Support Growth of existing industries/businesses in Port/Heads Road area</p> <p>Attract new businesses and investment to Port - Market the Port/Whanganui as a business and investment destination</p> <p>Establish Skills for Industry programme to ensure an ongoing supply of a skilled workforce.</p> <p>Assist Whanganui Holdings (as required) to develop and submit funding business cases to central government.</p>
7. Rural Enterprise Programme	<p>New Zealand and specifically the Manawatu-Whanganui region has an opportunity around non pastoral utilisation of class 1 and 2 lands, herd conversions, and the concept of cooperation and innovation to grow that opportunity.</p>

	<p>Specifically the non-pastoral utilisation opportunity is for horticultural crops – vegetables, berries, and other crops – to be grown on small allotments of prime land on a cooperative basis and that the product produced be processed collectively, branded and then marketed to export markets through specifically developed channels to high end consumers. Artisan producers could be included with “export” markets for them being places such as Wellington, Auckland, and Hamilton. This is not about quantity but rather about quality, added value, and job creation.</p>
<p>8. Yellow (Digital) Project</p>	<p>Get every business in the Whanganui District online with the Yellow Digital Business Directory. This will establish Whanganui as the first fully connected digital city in NZ. Other project objectives are:</p> <p>To increase Whanganui business patronage and revenue from locals and visitors through the Yellow campaign. This involves online and traditional marketing plus events.</p> <p>To encourage and reward Whanganui district residents, ex-pats, alumni and visitors to create, review and share digital online profiles.</p> <p>This project builds on and leverages off previous investment in the Intelligent community (Smart 21) programme. It delivers a measurable increase in online business activity and enables Whanganui to enhance its reputation as an intelligent community.</p> <p>It delivers further positive PR opportunities for the Whanganui district as a successful and leading edge destination.</p>
<p>9. Te Pae Tawhiti/Accelerate 25 Project Identification & Implementation</p>	<p>Implement specific projects linked to the economic opportunities and enablers identified in the Te Pae Tawhiti and Accelerate 25 regional economic growth action plans. This includes Mother Aubert, hotel development, new tourism businesses (tourism opportunity) and additional projects in Land Use, Aged Care, Manuka Honey and the enablers.</p> <p>Partner with Iwi to identify and develop economic growth opportunities/projects.</p>
<p>10. Skills for Industry Programme</p>	<p>A phased series of projects that establish and operate (with partners) a new work ready passport programme and potentially model of INTRANZ. This project creates a pathway for youth as well as options for retraining of the Whanganui workforce. Provides brokering service (incorporating 100% Sweet) and will partner with many providers.</p>

	MSD in Wellington have indicated \$250 000 of seed funding to establish the skills for industry model.
11. Whanganui Development Fund	Create a Whanganui Development Fund with contributions from successful local businesses and high net worth individuals to support the succession planning of Whanganui businesses that would otherwise close and potentially to fund Whanganui based start-up businesses.
12. Gap Analysis	Identifies gaps and introduces additional training providers/programmes to Whanganui to better meet the needs of the community. This provides further options for young people in Whanganui and assists attracting international and domestic students to Whanganui.

8. Key Projects & Programmes - Business as usual: Grow Whanganui

Whanganui & Partners has a number of ongoing programmes and activities whose successful contribution to Whanganui's economic momentum will be sustained and enhanced.

Economic Transformation

Programme	Description
Business Growth	<p>Deliver facilitation projects across priority sectors as identified by the Accelerate 25 and Te Pae Tawhiti Action Plans. Includes the Regional Business Partner Programme, convening industry cluster networks, business mentor programme, and improving access to capital.</p> <p>Undertake environmental scanning and data analysis to identify trends, issues, and opportunities to support business growth.</p>
Business Attraction & Innovation	Encourage foundation, expansion, partial, or full relocation of out-of-region businesses into Whanganui, using a mix of marketing activity, lead generation and facilitation.

	Undertake environmental scanning and data analysis to identify trends, issues, and opportunities to support business attraction & innovation.
Business Retention	Environmental scanning to identify trends impacting on or providing opportunities for existing businesses and helping them build resilience and pursue opportunities. Includes identification of infrastructure and policy issues. Undertake environmental scanning and data analysis to identify trends, issues, and opportunities to support business retention.
Education	Regional skills audit to identify current and future skills shortages matched against available education/training programmes (gap analysis plus solutions). Marketing of Whanganui as a great education destination. Facilitating pathways to employment, further education or training.
Destination Marketing	Promotion of Whanganui as a desirable place to visit, live, study, and invest
Intelligent Communities Forum (Smart 21)	<i>W&P is funding the \$US1500 (full) membership cost thereby maintaining membership of the Intelligent Communities Forum to ensure Whanganui has access to the resources, webinars, and other learning opportunities provided. W&P is also providing resources from our Strategic Lead - Innovation to investigate the value of ICF to Whanganui's future economic growth opportunities.</i>
Partner Relationships	Ongoing engagement and undertaking joint initiatives with Iwi, government, business community, community groups, organisations with aligned goals.

Physical Transformation

Town Centre Revitalisation	Supporting economic development activities associated with the project
Castlecliff Revitalisation	Active engagement regarding infrastructure and any link to Port Revitalisation - Supporting economic development activities associated with the project.
Land Use	Raising the productive output of class 1 and 2 soils (\$ per hectare)

Infrastructure	Active advocacy at local and central government level for infrastructure required to support economic growth. Continue to provide reports/analysis as requested to WDC regarding planned infrastructure.
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Destination Marketing

Visitor Attraction	Increasing frequency of visits, length of stay and spend through targeted promotion and marketing including funding and promotion of events.
Student Attraction	Implementing the International Education Strategy (with funding support from Education New Zealand)
Investor Attraction	Delivering business start-up programs and targeting sector specific opportunities.
Reputation	Implementing reputation strategy (local, national, and international audiences)
Demographic Specific Campaigns	Promoting Whanganui to key demographic groups such as active retirees, 24 -40 year old entrepreneurs/parents with young children, and digital sector innovators.
Ambassador Program	Program to ensure consistent service and message delivery wherever visitors go.

9. Performance Measures/Benchmark Indicators

Whanganui & Partners has identified a set of six (6) metrics. Whilst impacted by a range of factors not in Whanganui & Partner's control, the metrics are nevertheless important to overall district economic success. The measures will be reported against New Zealand averages for comparative purposes. The 6 metrics are outcome measures - The Whanganui & Partners Board also develop internal lead measures for the organisation to ensure each initiative and work stream is focused on activities that will deliver the outcome metrics.

Measure	2017/18	2018/19	2020/21	2021/22	2022/23	2023/24	2024/25
Job Retention	95%	95%	95%	98%	98%	98%	98%
Whanganui Jobs Growth	+2.0%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%
Population	+200	+300	+500	+500	+750	+1000	+1250
Non-Resident (Whanganui) Student Enrolments	+10%	+10%	+10%	+10%	+10%	+10%	+10%
Visitor Nights	+5%	+5%	+5%	+5%	+5%	+5%	+5%

Whanganui Real GDP Growth	+2.0%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%	+2.5%
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The forecast contribution to the above success measures from the major initiatives is detailed below

Objective	Initiative/BAU	Measure	2017/18	2018/19 estimate	2019/20 estimate
Business retention Business Growth	SWOT Team	First year target number of companies assisted as part of the program (25). Then job growth	25 businesses assisted	25 new jobs	50 new jobs
Job Growth	One More Job	First year program launched with 50 businesses participating. Then number of jobs created.	50 businesses participating	50 new jobs	75 new jobs
Population and Job Growth	Special Economic Zone	Population and job growth.	Baseline data established and zone launched	+2.5% Jobs 50 more people	+2.5% jobs 50 more people
Improved Reputation, job growth, population growth	Regional Economic Development Summit	Number of conference attendees, publicity obtained, perception survey results	Conference held	Population growth	Population growth
Increase business start-ups, job growth, lwi entrepreneurship levels, capital raised, create a business friendly reputation	Whanganui Centre of Enterprise	17/18 is the baseline year – measures should be on number of seminars, coaching meetings, and articles published. Then number of business start- ups and job growth	WCOE established - 10 seminars delivered - 25 entrepreneurs and/or businesses coached plus accessing regional business partner programme	50 new jobs 10 new businesses	75 new jobs 20 new businesses
Increase visitor numbers, nights, & spend,	Mobile Whanganui	17/18 measure is mobile Whanganui developed. Future	Mobile Whanganui built	+2%	+2%

population growth		years increased visitors, nights, & spend plus population growth			
Retain businesses, attract businesses, job growth, population growth	Port Revitalisation	Government & Private Sector investment obtained, businesses attracted, job growth	70 Jobs Retained	60 New jobs	100 New jobs
Increase returns per hectare, GDP growth, job growth	Rural Enterprise	17/18 baseline year – establish returns per hectare and establish project	Collect baseline data	5 new rural initiatives identified	2-3 identified opportunities pursued with at least 1 successful
Improved reputation, promote Whanganui as leading edge, business attraction	Yellow Project	Media coverage obtained, retail spend increase, Whanganui perceived as leading edge	Improved perception survey results	Improved perception survey results	Improved perception survey results
Increase GDP, Job Growth	Te Pae Tawhiti & Accelerate 25	Increase in GDP and job growth	+2%	+2%	+2%
Improve skilled workforce supply, job growth	Tech/Trades Hub	17/18 baseline year – workforce data collected and tech/trades hub established	Qualified workforce data improves,	2 new jobs	25 new jobs
Business Retention, Job Growth, Business Growth, Business Start-ups	Whanganui Development Fund	Fund Established	Job Retention Target met	Job Retention Target met	Job Retention Target met

10. Reporting to be provided to Shareholders:

The Board reports on the activities and progress of Whanganui & Partners in accordance with the Whanganui District Council CCO Governance Manual. This includes a quarterly comprehensive written report and a bi-monthly Board member verbal report.